



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 27, 2005

S. 265

Trauma Care Systems Planning and Development Act of 2005

*As ordered reported by the Senate Committee on Health, Education, Labor, and Pensions
on February 9, 2005*

SUMMARY

S. 265 would amend the Public Health Service Act to authorize several emergency services and trauma care programs administered by the Health Resources and Services Administration (HRSA). Those programs include grants to states for the development of trauma care systems and an emergency care residency training program. S. 265 also would require HRSA to contract for a study on trauma care and trauma research.

Assuming that the necessary amounts (including annual adjustments for anticipated inflation) are appropriated for fiscal years 2006 through 2009, CBO estimates that implementing S. 265 would cost \$47 million over the 2006-2010 period. The legislation would not affect direct spending or receipts.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The bill would authorize and increase appropriations for grant programs designed to improve the quality of trauma care systems. States that choose to apply for those grants would have to provide matching funds, but any costs they face would be incurred voluntarily.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 265 is shown in the following table. The costs of this legislation fall within budget function 550 (health).

	By Fiscal Year, in Millions of Dollars					
	2005	2006	2007	2008	2009	2010
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law						
Estimated Budget Authority ^a	3	0	0	0	0	0
Estimated Outlays	3	2	1	0	0	0
Proposed Changes ^{b,c}						
Estimated Authorization Level	0	13	13	13	13	0
Estimated Outlays	0	4	9	13	13	9
Spending Under S. 265						
Estimated Authorization Level ^a	3	13	13	13	13	0
Estimated Outlays	3	6	10	13	13	9

a. The 2005 level is the amount appropriated for that year.

b. The bill also would authorize funding for 2005, but this estimate assumes that no additional funds will be appropriated this year.

c. Including adjustments for anticipated inflation, the estimated outlay changes would total \$47 million over the 2006-2010 period. Without such adjustments, the five-year total would be \$46 million.

BASIS OF ESTIMATE

S. 265 would authorize two trauma-related programs and would require HRSA to contract for a study on the current state of trauma care. Assuming the appropriation of the necessary amounts, CBO estimates that implementing S. 265 would cost \$47 million over the 2006-2010 period.

HRSA currently administers grants to states for the planning, development, and improvement of trauma centers and systems. S. 265 would authorize the appropriation of \$12 million in 2005 and such sums as necessary through 2009 for those activities. In 2005, \$3 million was appropriated for those activities, although the authorization expired in 2004. For this estimate, CBO assumes that no additional funds will be appropriated for the current year.

The planning grant part of that program provides federal matching payments to funds spent by states. Under prior law, the federal government did not require contribution of state funds in the first year, but required a matching payment of \$1 for every \$1 of state spending in the second year, and a \$3 match for every \$1 spent in subsequent years. In 2005, however, because the appropriation is not sufficient to fund that schedule of matching payments, HRSA is providing roughly equal amounts to each participating state.

Under the bill, states would receive grants without the contribution of their own funds for the first two years. In the third year, the federal government would provide a matching payment of \$1 for every \$1 of state spending. In the fourth and fifth years, the federal government would provide a matching payment of \$1 for every \$2 of state spending.

State participation under the current, less-generous program is very high. The authorization level for 2005 under S. 265 for this program would be four times higher than the 2005 appropriation level of \$3 million. Based on information provided by HRSA about states' trauma-planning activities and on historical spending patterns for this program, CBO estimates that the cost of implementing this provision would be \$4 million in 2006 and \$46 million over the 2006-2010 period.

S. 265 also would authorize a residency training program in emergency medicine. The bill would authorize \$400,000 each year through 2009 for grants to public and private nonprofit entities for the development of residency programs with an emphasis on treatment and referral of domestic violence cases. CBO estimates that implementing this provision would cost \$1.6 million over the 2006-2009 period.

S. 265 would require the Secretary of Health and Human Services to contract with the Institutes of Medicine or a similar entity to conduct a study on trauma care. The bill would authorize the appropriation of \$750,000 in both 2005 and 2006. Assuming the availability of appropriated funds, conducting the study could cost up to \$1.5 million.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

The bill contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The bill would authorize and increase authorized funding for a grant program designed to improve the quality of trauma care systems. States that choose to apply for those grants would have to provide matching funds, but any costs they incur would be voluntary.

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